

Reserve Your California Tax Credit!

Reminder: This is a tax credit available for contributions made to The College Access Tax Credit Fund. This fund will be used to bolster the dwindling resources used to provide Cal Grants to low-income college students. To take advantage of it, you have to submit an application and be granted the credit allocation equal to 50% of what you contribute in during the tax year. You can also take a charitable deduction for it on your Federal return.

You can read more about the tax credit at the College Access Tax Credit Fund website (<http://www.treasurer.ca.gov/cefa/catc/index.asp>). The application period for the 2017 Taxable Year began on 4/3/17. Apply online by clicking the [Tax Credit Application Form](#) (on-line version) link on the College Access Tax Credit Fund website. *You must submit the application before 5 p.m. Pacific Time on Sunday, December 31, 2017.*

Here is an example:

You contribute \$1000. For California, you get a credit of 50% (\$500, in this example). You also deduct the \$1000 on your federal return as an itemized deduction, where the savings would depend on your tax rate. For this example, say your federal tax rate is 25%; your deduction would then be \$250.

The bottom line: You spent \$1000 and received a total tax savings of \$700; it cost you \$300 to put \$1000 in this fund!

This is a **No Brainer!**